

**R E M A R K S**

- Claims 1 – 63 are pending in the present application.
- Claims 1, 56 – 60, 62, and 63 are independent.
- Claim 58 has been cancelled herein, without prejudice or disclaimer. Applicants intend to pursue the subject matter of claim 58 in a continuing application.
- Upon entry of this amendment, which is respectfully requested for the reasons set forth below, claims 1 – 57, and 59 - 64 will be pending.

**1. Information Disclosure Statement**

Examiner requested that copies of items Q and DD from the IDS be submitted, since they apparently were not included in the group of references supplied to Examiner. Applicants have submitted a copy of item Q and a copy of item DD herewith and request that Examiner consider these references.

**2. Objection to Specification**

The specification has been objected to as not having antecedent basis for the terms “means for receiving”, “means for identifying”, and “means for determining.” Applicants respectfully traverse this objection. Following is a brief citations of *exemplary* portions of the specification that describes exemplary structure for each of the above limitations. The exemplary structure discussed below is not meant to be limiting in any manner.

Applicants respectfully submit that a means-plus-function limitation is sufficiently supported by the specification if the specification describes a microprocessor programmed to carry out the function. (*WMS Gaming Inc. v. International Game Technology*, 51 U.S.P.Q.2d 1385 (Fed. Cir. 1999), where the Federal Circuit, regarding the limitation of "means for randomly selecting one of said plurality of assigned numbers", agreed that the corresponding structure disclosed in the specification is a microprocessor programmed to perform random number generation.)

“means for receiving”

The specification describes a system where a controller 200 is in communication with a plurality of retailer devices 140, 150, and 160 and a plurality of customer devices 110, 120, and 130 (pg. 6). These devices communicate through a network and the controller 200 includes a communications port 220 through which it communicates with the other devices (pg. 8).

The controller 200 comprises a processor 210 and a program 240 for controlling the processor 210 and for instructing the processor 210 to perform the methods of the invention as described in the specification (pg. 8). Methods for how a controller 200 may receive information identifying a product are described with respect to process 1200 (pg. 26 – 29). For example, the controller 200 may receive a request for a subscription from a customer, and the request can include identification of a specific product (pg. 27). The customer may communicate this request to the controller 200 using a customer device 110, 120, or 130 or via a point of sale device located at a retailer. Accordingly, the specification provides sufficient structure for “means for receiving information identifying a product”.

“means for identifying”

In addition to the above structure, the specification describes the controller 200 as comprising a storage device 230. The storage device 230 is in communication with processor 210 and stores an Available Subscriptions Database (pg. 8). Thus, the processor 210 may access the data stored in the Available Subscriptions Database. The Available Subscriptions Database stores a plurality of records, each record defining a subscription. Each record identifies one or more retailers at which the subscription of the record is available, as well as the product that is the subject of the subscription. (pg. 11). Accordingly, the processor 210 may access this database to identify at least one retailer that offers the product. This structure is sufficient support for the limitation of “means for identifying at least one retailer offering the product.”

“means for determining”

Various methods for how the processor 210 may determine terms of a subscription are described (pg. 26 – 29). For example, with respect to process 1200, it is described that a customer may be presented with a menu of available subscription terms and select the subscription terms. It is also described that the processor 210 may retrieve available subscription terms from memory (*e.g.*, from the Available Subscriptions Database) and present the terms to the customer. It is further described that the controller 200 may review and approve a customer’s request for particular subscription terms. Accordingly, the controller 200 that communicates over a network via communications port 220 with, for example, a retailer device or a customer device, and stores in memory a database of available subscription terms that may be accessed by the processor of controller 200 is sufficient structure to support the limitation of “means for determining terms of a subscription for the product”.

Applicants respectfully submit that the processor 210 operating based on instructions of the program 240 to carry out the methods of the invention is sufficient structure to support each of the above limitations. The hardware and data stored in memory described provides even more supporting structure. Applicants thus respectfully request that Examiner reconsider this objection and that it be withdrawn.

### **3. Claim Objections**

The claims are objected to sine there are two claim 56s. The second claim 56 has been cancelled herein and resubmitted as new claim 64. The language of the second claim 56 has been amended to recite “by the controller”, in order to overcome the §101 rejection of the second claim 56, as discussed in detail below.

### **4. Section 112 Claim Rejections**

Claim 63 stands rejected under §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the

invention. Specifically, Examiner asserts that because the terms “means for receiving”, “means for identifying”, and “means for determining” are allegedly not defined by the specification, the scope of claim 63 is unclear. Applicants respectfully traverse this rejection. As discussed with reference to the “Objection to Specification” section above, these terms are sufficiently supported by the specification. Applicants thus respectfully request that this rejection be withdrawn.

### **5. Section 101 Claim Rejections**

Claims 1 – 59 stand rejected under §101 as being directed to non-statutory subject matter. Applicants respectfully traverse this rejection.

#### **5.(a). Improper basis for a Section 101 rejection**

It is Applicants' understanding that the basis for rejection is a claim must recite computer structure in order to be considered statutory.

Applicants disagree with the conclusion that a method claim is non-statutory if that claim does not recite "sufficient computer structure". Applicants are unaware of any statute or court decision supporting these assertions. Moreover, the MPEP does not purport to impose such a requirement either.

#### **5.(b). *In re Toma* cannot be used to support the Examiner's rejection under Section 101.**

On page 3 of the Office Action the Examiner cites *In re Toma*, 575 F.2d 872, 197 U.S.P.Q. 852 (C.C.P.A. 1978) as support for the present 'technological arts' rejection. However, that case cannot be used to support the Examiner's analysis.

The Court in *Toma* in fact reversed the rejection of the claims under Section 101. The claims were held to be not outside of the technological arts.

The Court in *Toma* furthermore held that the claims were not directed to merely solving a mathematical algorithm, which would have rendered them nonstatutory. *In re Toma*, 575 F.2d at 877. Note that the C.C.P.A. did not say this was the only way a claim could satisfy Section 101, merely that this particular way did satisfy Section 101.

The Court in *Toma* furthermore held that the examiner quoted language from 'mental steps' rejections, which was inappropriate and "was not intended to form a basis for a new § 101 rejection". *Id.*

Finally, the C.C.P.A. in *Toma* used the Freeman test for the presence of an algorithm. This test and this analysis were subsequently disapproved of by the Federal Circuit as a way to determine the presence of statutory subject matter. See, e.g., *Street Bank & Trust Co. v. Signature Fin. Group, Inc.*, 149 F.3d 1368, 1374, 47 U.S.P.Q.2D (BNA) 1596, 1601 (Fed. Cir. 1998), *cert. denied*, 142 L. Ed. 2d 704, 119 S. Ct. 851 (1999) ("after Diehr and Chakrabarty, the Freeman-Walter-Abele test has little, if any, applicability to determining the presence of statutory subject matter."); *AT & T Corp. v. Excel Communications Inc.*, 172 F.3d 1352, 1359, 50 USPQ2d 1447 (Fed. Cir. 1999) ("our recent State Street decision questioned the continuing viability of the Freeman-Walter-Abele test").

5.(c). The Correct Section 101 Analysis was not Performed.

The Federal Circuit has made it clear that there is **no requirement for any physical limitations of any kind** in a method claim. *AT&T Corp. v. Excel Communications, Inc.*, 50 USPQ2d 1447, 1452 (Fed. Cir. 1999). The **only issue** is whether the claimed invention produces a useful, concrete, tangible result. The claim in that case was held statutory because it produced "a useful, concrete, tangible result":

The PIC indicator represents information about the call recipient's PIC, **a useful, non-abstract result that facilitates differential billing of long-distance calls made by an IXC's subscriber**. Because the claimed process applies the Boolean principle to produce a useful, concrete, tangible result without pre-empting other uses of the mathematical principle, on its face the claimed process comfortably falls within the scope of § 101. *AT&T Corp. v. Excel Communications, Inc.*, 50 USPQ2d 1447, 1452 (Fed. Cir. 1999) (emphasis added)

Applicants note that "[w]hat is determinative is not how the computer performs the process, but what the computer does to **achieve a practical application**." See MPEP 2106

(IV)(B)(2)(b)(ii) "Computer-Related Processes Limited to a Practical Application in the Technological Arts" (page 2100-15 of MPEP 7th Edition, Rev. 1, Feb. 2000).

"A claim is limited to a practical application when the method, as claimed, produces a **concrete, tangible and useful result**; i.e., the method recites a step or act of producing something that is **concrete, tangible and useful**.

Likewise, a machine claim is statutory when the machine, as claimed, produces a **concrete, tangible and useful result**."

Similarly, the presently pending claims produce the useful, concrete and tangible results of, e.g., completing a sale of a product (claim 1) or setting a final sales price (claim 12).

It is a misunderstanding of Federal Circuit case law to contend that process claims lacking physical limitations set forth in the patent are not patentable subject matter. AT & T Corp. v. Excel Communications, Inc., 172 F.3d 1352, 50 USPQ2d 1447, 1452 (Fed. Cir. 1999). This type of physical limitations analysis is of little value because "the mere fact that a claimed invention involves inputting numbers, calculating numbers, outputting numbers, and storing numbers, in and of itself, would not render it nonstatutory subject matter, unless, of course, its operation does not produce a 'useful, concrete and tangible result.'" AT & T Corp. v. Excel Communications, Inc., 172 F.3d 1352, 50 USPQ2d 1447, 1452 (Fed. Cir. 1999).

#### 5.(d). Independent Claims Amended

Despite Applicants position that the §101 rejection was improper and solely to expedite the prosecution of the present Application, Applicants have amended claims 1, 64 (the second 56), 57, 58, and 59 herein so that one of the steps in each claim is recited as being performed "by the controller". Applicants respectfully submit that this amendment overcomes Examiner's rejection and respectfully request that Examiner reconsider claims 1 – 59 in light of this amendment. Applicants intend to pursue the subject matter of the claims as pending before the amendment in a continuing application.

## 6. Section 102 Claim Rejections

### 6.(a). Isobe et al.

Claims 60 – 62 stand rejected under §102(b) as being clearly anticipated by U.S. Patent No. 5,088,586 to Isobe et al. (“Isobe” herein). Specifically, little patentable weight has been given to the phrase following the “adapted to” language of the claim, which allegedly renders the claim anticipated by Isobe et al.

Applicants disagree that the phrase adapted to be executed “suggests or makes optional” the steps following the phrase (the reasons given in MPEP 2106.II.C for when certain phrases “may raise a question as to the limiting effect of the language” (emphasis added)). It is clear from the language of the claim that what is claimed is a storage device that stores the instructions following the phrase “adapted to be executed” and does not make the storage of the instructions, or any of the instructions themselves, “optional”. The phrase merely explains that the instructions are executable by the processor. However, solely to expedite prosecution of the present Application, Applicants have amended claims 6 – 62 to replace the “adapted to be executed” language with the phrase “ for execution”.

### 6.(b). Walker et al.

Claims 1 – 43, 45 – 50, and 52 – 63 stand rejected under 35 U.S.C. §102(e) and §102(f) as being anticipated by Walker et al, as discussed with respect to the double patenting rejection, below. Applicants respectfully traverse this rejection. Since Examiner did not specifically point to particular passages of any of the Walker patents as teaching particular limitations of the pending claims, Applicants generally address the limitations recited in the independent claims as not being taught or suggested by the Walker patents.

#### Walker ‘723 and Walker ‘796

U.S. Patent No. 6,317,723 to Walker et al. (“Walker 723” herein) and U.S. Patent No. 5,926,796 to Walker et al. (“Walker ‘796” herein) teaches a system comprising a point-of-sale terminal (“POS”). A customer may purchase a subscription to a periodical by bringing an issue of the periodical to the POS. The following limitation, recited in each of independent claims 1,

64 (formerly the second claim 56), 57, 59, 60, 62, and 63 (which are all of the pending independent claims), is not taught by either Walker '723 or Walker '796:

- identifying at least a first retailer offering the product

Since the customer in Walker '723 and Walker '796 is already visiting the retailer who sells the periodical and brings the issue of the periodical to the POS, there is no need or reason for identifying a first retailer. In one or more embodiments of the present invention, a customer may request a subscription to a product that is offered at a plurality of retailers and may not necessarily do so at any particular retailer. Accordingly, a controller or other device identifies which retailer offers the product.

Walker '723 and Walker '796 also do not teach or suggest the following limitation, which is recited in independent claim 1, 60, 62, 63:

- wherein the subscription is valid at the at least first retailer

In Walker '723 and Walker '796, after the customer purchases the subscription at a POS of a retailer, the remaining issues of the periodical under the terms of the subscription are mailed to the customer. This is unlike one or more embodiments of the present invention, where the subscription is valid at the retailer such that the customer redeems the subscription by visiting the retailer for each unit of the product under the terms of the subscription.

#### Walker '458

U.S. Patent No. 6,196,458 to Walker et al. ("Walker '458" herein) teaches a system and method for offering upsells to a customer by printing one or more upsells on a customer's billing statement. Walker et al. does not teach offering a "subscription" to a product, which is what is claimed. Further, Walker '458 does not teach offering a subscription to a product where the subscription is valid at a retailer or where the subscription may be redeemed at a retailer.



Walker '262

The present application has been amended to claim priority under 35 U.S.C. §120 to U.S. Application No. 10/124,809, which was filed April 17, 2002 in the name of Walker et al., and which is a continuation-in-part of U.S. Application No. 09/221,457, which was filed on December 28, 1998 and issued on July 02, 2002 as U.S. Patent No. 6,415,262. ("Walker '262" herein). Accordingly, Walker '262 no longer qualifies as prior art under 35 U.S.C. §102(e) nor under 35 U.S.C. §102(f) and Applicants respectfully request that the rejection of the claims based on this reference be withdrawn.

**7. Double Patenting**

It is stated on pg. 5 of the Office Action that "Examiner is not aware of a common assignee between the application and the patents which will be used in the following double patenting rejections". Applicants respectfully note that an assignment of the present application to the assignee "Walker Digital LLC" was submitted for the present application when the application was filed and a Notice of Recordation of Assignment acknowledging this assignment was mailed by the Patent Office on June 23, 2000. Walker Digital LLC is also the assignee of the patents used in the double patenting rejections, as recorded in the Patent Office. If Examiner has any further questions on any of the assignments, Examiner is kindly invited to contact Applicants' representative Magdalena M. Fincham at (203) 461-7041.

**7.(a). Walker 262**

Claims 1 – 3, 5, 11 – 17, 22 – 40, 53, 54, 55 and the 1<sup>st</sup> claim 56 stand rejected under the judicially created obviousness-type double patenting as being unpatentable over claims 43, 18 – 22, and 48 of U.S. Patent No. 6,415,262 to Walker et al. A terminal disclaimer in compliance with 37 C.F.R §1.321(c) has been submitted herewith, disclaiming any patent term for a patent resulting from the present application beyond the term of U.S. Patent No. 6,415,262 to Walker et al. Accordingly, Applicants respectfully submit that this rejection is now moot.

7.(b) Walker '796 and Walker '723

Claims 1 – 6, 11 – 17, 22 – 34, 41 – 43, 45 – 48, 49 – 50, 52 – 54, and 2<sup>nd</sup> 56 – 63 have been rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 29 and 52 of Walker '796. Applicants respectfully traverse this rejection.

Of the rejected claims, only claims 1, 64 (formerly the 2<sup>nd</sup> claim 56), 57, 59, 60, 62, and 63 are independent. Claim 58 has been cancelled so the rejection of it is now moot. The remaining claims are directed to subscriptions. The term subscription, as used by Applicants in the present application is a subscription to a product that may be redeemed at a retailer (pg. 5 of the specification).

Walker '796 does not teach or suggest a subscription that may be redeemed at a retailer. As described above, Walker '796 teaches a method for purchasing a subscription to a periodical by bringing an issue of the periodical to a POS. The remaining issues of the subscription in Walker '796 are mailed to the customer. Thus, the subscription is not redeemed at the retailer. It would not be obvious to modify Walker '796 to include redemption of a subscription at a retailer because periodical subscriptions are typically fulfilled by mailing the issues of the periodical to the subscriber. It is also not known to fulfill subscriptions to other products by redeeming the subscription at the retailer. Accordingly, a person of ordinary skill in the art, upon reading Walker '796, would not be motivated to modify it or combine it with other knowledge.

7.(c). Walker '458

Claims 1 – 3, 5, 11 – 17, 22 – 34, 53, and 54 stand rejected under the judicially created obviousness-type double patenting as being unpatentable over claims 1 – 3 of Walker '458. Applicants respectfully traverse this rejection.

Neither the claims 1 – 3 nor any other portion of Walker '458 teaches or suggests that an upsell as taught by Walker '458 may comprise an offer for a subscription to a product, much less a subscription that is redeemable at a retailer. Further, there is no teaching or suggestion of terms of a subscription or of determining such terms, as claimed by Applicants.

7.(d). No Motivation to Combine

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. MPEP 706.02(j). *In re Fine*, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re Jones*, 21 USPQ2d 1941 (Fed. Cir. 1992). It is the burden of the Examiner to establish a *prima facie* case of obviousness by pointing to a specific teaching in the record that would have motivated one of ordinary skill in the art to modify the prior art in the manner suggested by Examiner. *In re Fine*, at 1598. Applicants respectfully submit that Examiner has not met this *prima facie* burden for the pending claims because Examiner has not pointed to any teaching or suggestion *in the prior art* but has merely provided an unsupported conclusory statement that the pending claims are obvious over the various Walker patents. If Examiner continues to maintain this position, Applicants respectfully request that Examiner provide an explanation of what teaching in the prior art of record would have motivated a person of ordinary skill in the art to make any modifications or combinations suggested by Examiner.

**CONCLUSION AND PETITION FOR EXTENSION OF TIME**

It is submitted all of the pending claims are in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Magdalena M. Fincham at telephone number 203-461-7041 or via electronic mail at [mfincham@walkerdigital.com](mailto:mfincham@walkerdigital.com).

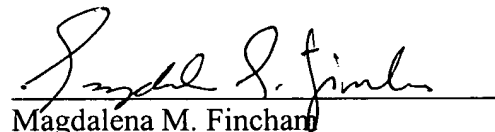
**Petition for Extension of Time to Respond**

Applicants hereby petition for a **two-month** extension of time with which to respond to the Office Action. Please charge \$205.00 for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

May 20, 2003  
Date

Respectfully submitted,



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